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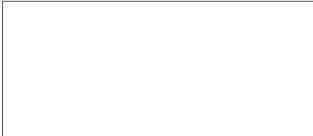
19 August 1983

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Top Secret



25X1

Contents

Chad: Prospects for More Fighting 1

France-Chad: French Public Reaction 2

USSR: New Arms Proposals 3

Nicaragua: Shift in Negotiating Stance 4

..... 5

Israel-Lebanon: Contacts With the Christians 6

..... 7

Brazil: Pressure for Debt Moratorium 9

Greece: Papandreou on INF 10

Mauritius: Election Outlook 11

Poland: Rescheduling Agreement 12

Japan-US: Discussions on Defense 12

..... 13

Norway: Defense Budget Cuts 13

..... 14

Zimbabwe: Nkomo's Return 15

South Africa: Opposition to Reform Proposals 15

25X1

25X1

25X1

25X1

25X1

Top Secret



19 August 1983

25X1

Page Denied

Top Secret

25X1

CHAD: Prospects for More Fighting

Chadian dissident units may be moving closer to a clash with President Habre's forces. [redacted]

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[redacted]

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French Defense Minister Hernu announced yesterday that French troops in Chad constitute a "dissuasion" force to guarantee the country's defense and to "help toward the diplomatic solution that is being sought." Two detachments of about 500 French troops each—with helicopter, artillery, and antiaircraft support—will patrol from bases near Abeche and Salal. The US Embassy in N'Djamena reports that the French appear to be establishing a major support base in the capital and that mobile surface-to-air missiles, 105-mm howitzers, and communications and maintenance equipment are arriving at the base. [redacted]

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The US Embassy in Addis Ababa reports there is little prospect for effective action by the OAU on Chad, although it will issue periodic calls for a cease-fire and negotiations. The Embassy has heard little criticism from resident African ambassadors of US and French actions, but it has received private congratulations from several. [redacted]

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President Mitterrand's adviser on African affairs is touring francophone countries in Africa to explain France's policy on Chad. He has found that even some African leaders sympathetic to Libyan leader Qadhafi are disturbed by the Libyan involvement. [redacted]

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Comment: The French probably do not plan to go on the offensive. They will fight, however, if the dissidents or Libyans attack their positions. [redacted]

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FRANCE-CHAD: French Public Reaction

Press reaction in France to developments in Chad and a recent poll indicate that opinion continues to support a strong stand against Libya, but there is no clear consensus in support of direct military action on the ground. []

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With the exception of the Communist daily, the French press continues to emphasize France's responsibility in Africa and to criticize President Mitterrand for his past hesitations. At the same time, a well-publicized poll shows public concern about the possible consequences of intervention on the ground. While the vast majority consider Libyan leader Qadhafi dangerous, 53 percent oppose sending troops to block him in Chad. []

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One leftist paper states that moderate Socialists, while recognizing the need to defend French interests, favor Mitterrand's policy of cautious and "dissuasive" intervention. They endorse his efforts to negotiate a settlement. Communists and some radical Socialists, on the other hand, warn that France should not become a US "stooge" in Africa. []

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Comment: Mitterrand is trying to satisfy those who want a strong response to Qadhafi while avoiding attacks from opponents of intervention and "American domination." By sending troops rather than ordering airstrikes, he evidently hopes to dissuade Qadhafi by means short of preemptive military action. If successful, Mitterrand will claim credit for honoring French obligations without having incurred substantial casualties. []

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If French troops were to become involved in protracted combat, the opposition will blame the casualties on Mitterrand's previous hesitation. Criticism could be most serious among the President's Socialist constituents, whose feeling against use of French forces in combat is still strong. []

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Mitterrand's desire to preempt leftist criticism almost certainly accounts for the anti-American rhetoric in his recent press interview. []

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USSR: New Arms Proposals

General Secretary Andropov yesterday offered several new arms proposals, apparently in a bid to increase US Congressional pressure on the Administration. []

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Andropov told a visiting delegation of Democratic US Senators that the USSR would not be the first to put into outer space any type of antisatellite weapon, that is, the USSR "imposes a unilateral moratorium on such launchings," so long as the US refrained from "stationing" antisatellite weapons in space. In addition, he proposed talks that would eliminate existing antisatellite systems and ban testing and deployment of all space-based weapons. []

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The Soviet leader promised detailed Soviet proposals would be presented at the UN General Assembly this fall. He also proposed a freeze on "all components" of the existing US and Soviet strategic nuclear arsenals. []

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Comment: The proposed moratorium on launching antisatellite weapons into space appears designed to preclude eventual US deployment of space-based lasers for antisatellite use. However, it does not specifically exclude development of the air-launched miniature vehicle, the US antisatellite system. []

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Any agreement calling for the destruction of existing antisatellite systems would be extremely difficult to monitor. Even if such an agreement could be made effective, the USSR would retain an advantage over the US in test experience. []

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The broader proposal for a ban on all space weapons probably is aimed at preventing testing and deployment of any large-scale US space-based ABM system. Andropov's concern, and other Soviet commentary, suggest fears in the Kremlin that it might not be able to compete economically and technically with such a US ABM effort. []

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Andropov's call to freeze the technology of existing strategic arsenals, while not new, may be designed to stimulate opposition to such US programs as the MX, the D-5 submarine-launched ballistic missile, and long-range cruise missiles. []

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NICARAGUA: Shift in Negotiating Stance

The Sandinistas are showing renewed interest in direct negotiations with the US, but they refuse to discuss their domestic policies. [redacted]

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Sandinista officials in Washington last week proposed bilateral talks on the basis of Nicaragua's six-point peace plan. The plan calls for a halt to arms supplies to both sides in El Salvador, an end to aggressive acts by countries in the region, and prohibition of foreign military bases and exercises. [redacted]

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High-level Sandinista military officers in Managua indicated last week that Nicaragua was willing to make concessions on all issues of concern to the US, including its arms buildup and the presence of Cuban advisers. One officer claimed that arms shipments to El Salvador had stopped before the peace plan was announced on 19 July. The officers emphasized, however, that domestic political changes were not subject to negotiation. [redacted]

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Comment: The Sandinistas apparently have become increasingly anxious about the initiatives of the Contadora Group, which they fear may result in a call for early democratic elections. They may hope that direct talks with the US will help them to appear flexible, and they may manipulate the negotiations to ease some of the pressure. Nevertheless, Managua is likely to continue to endorse the Contadora effort publicly. [redacted]

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The alleged cutoff of aid to El Salvador cannot be confirmed, although the Sandinistas may have slowed down deliveries to demonstrate their sincerity. Any pause probably will be tactical, however, because the Sandinista leaders view the ultimate success of the Salvadoran revolution as vital to their security. [redacted]

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The Sandinistas did not mention foreign advisers in their peace plan. President Castro's recent offer to withdraw Cuban advisers in Nicaragua may have prodded Managua to indicate flexibility on that issue. Junta leader Daniel Ortega recently stated Nicaragua's willingness to discuss withdrawal of foreign troops from all of Central America, but he made the offer conditional on receiving unspecified "security guarantees" from the US. [redacted]

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ISRAEL-LEBANON: Contacts With the Christians

Israel is increasing its public contacts with Lebanese Christian factions. []

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Defense Minister Arens visited Beirut on Tuesday and held a series of highly publicized meetings with leaders of the Phalange-dominated Lebanese Forces and with other Phalange leaders. Last week Christian politician Dany Shamun, who is not a Phalangist, received extensive coverage in the Israeli press when he toured Israel and met with Foreign Minister Shamir and other senior officials. Earlier this month former Defense Minister Sharon traveled to Beirut and held talks with Phalange leader Pierre Gemayel. []

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Comment: The visit by Arens probably was intended to reassure Phalange leaders that Israeli support remains firm, despite recent strains. Some Phalangists had been concerned that Tel Aviv's decision to close several militia offices in southern Lebanon and the treatment given Shamun, a longtime Phalange rival, may be signs of an Israeli intention to shift support from the Phalange. []

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The contacts also may be intended as a reminder to Lebanese President Gemayel that Israel has assets in the Christian community that it can use if he continues to move slowly on political and military coordination with Tel Aviv. In addition, the Israelis want to demonstrate that their ties to major Christian political groups remain strong and that, even after they withdraw to the Awwali River, they will continue to have substantial political influence with the Lebanese Government. []

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The visit greatly complicates Gemayel's effort to negotiate with Muslim leaders. They see it as more evidence that he cannot control the Christian militia. In an effort to mollify the Muslims, Gemayel met with the cabinet yesterday and later issued a statement condemning Arens's visit and his Phalange hosts. []

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BRAZIL: Pressure for Debt Moratorium

Discontent with the government's new austerity measures and the suspension of foreign loans are increasing popular support for a debt moratorium, but key economic officials remain opposed to such a drastic step. []

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The US Embassy reports that there is a growing political backlash against the protracted IMF negotiations, with influential businessmen warning the government that further retrenchment will accelerate bankruptcies. The working class is complaining about high unemployment and substantial reductions in real wages. []

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Last week slightly more than half of Brazil's federal deputies petitioned the government to break its tentative agreement with the IMF and declare a debt moratorium. A recent poll indicates that most of the middle class favors some form of moratorium. []

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Comment: Senior economic officials are resisting the pressure, hoping it will ease soon. An IMF announcement of support for Brazil's revised austerity program, followed by foreign bank moves to resume lending, probably would undercut popular agitation. []

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If Brasilia does not obtain more foreign financial support, it probably will be less willing to honor its debts. Last week Central Bank President Langoni cautioned US officials that the IMF accord could unravel. []

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Langoni said the government may not be able to muster enough backing in Congress to support IMF-mandated austerity. Without an IMF-approved program, however, most foreign banks would curtail their lending to Brazil. []

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GREECE: Papandreou on INF

Greece's letter to all EC members urging them to support a delay in INF deployment for six months to give disarmament negotiations between the US and the USSR more time is unlikely to receive much support. []

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The Greeks reportedly intend to raise the issue at the EC Foreign Ministers' informal meeting in Athens on 12 September. Prime Minister Papandreou has long advocated freezing nuclear weapons arsenals, fearing that the deployment of cruise and Pershing II missiles will result in Soviet countermeasures in Eastern Europe. West Germany, the UK, and Italy—the first NATO states scheduled to deploy INF missiles—reportedly are preparing negative responses to the letter. []

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Comment: Papandreou's decision to take on INF probably stems in part from a desire to reassure his party's left wing at a time when he has adopted a pragmatic stance on the US bases, EC membership, and participation in NATO. The Prime Minister evidently also hopes to undercut the Communists, who would like to use the INF issue to strengthen their campaign against the recently initialed US-Greek base accord. []

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At the same time, Papandreou almost certainly sees the EC presidency as a good platform from which to voice long-held convictions. His position on INF is consistent with his advocacy of a Balkan nuclear-free zone and disarmament in general. []

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EC members appear certain to reject Papandreou's call to postpone INF deployments and to discuss INF at next month's meeting. They are likely to argue that deployment issues should only be discussed within NATO. []

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MAURITIUS: Election Outlook

Ethnic and personality factors will decide the outcome of the national election on Sunday. []

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Leftist Prime Minister Jugnauth and moderate former Prime Minister Ramgoolam have forged an ideologically diverse coalition, unified only in its opposition to former Finance Minister Berenger. The coalition is dominated by elements of the majority Hindu community, and it also includes Gaetan Duval's rightwing party, composed primarily of Creoles. Duval's party will challenge the primacy of Berenger's Mauritian Militant Movement in urban areas. []

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The election culminates a power struggle between Berenger and Jugnauth that began after the two had led the Militant Movement to an impressive victory over Ramgoolam in elections in June 1982. Berenger and his supporters resigned from the government last March and Jugnauth formed his own party. []

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Comment: There are few policy differences at issue. Each side adheres to socialist principles while maintaining that the private sector will continue to play an important role. []

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Both groups claim to support genuine nonalignment. Jugnauth and Berenger each have flirted with the Soviets and Libyans, but they now appear to recognize the country's economic dependence on the West. []

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Jugnauth and Berenger also support the Indian Ocean "zone of peace" concept and Mauritian claims to the British-administered island of Diego Garcia, the site of important US military facilities. Jugnauth, however, is willing to permit the use of Mauritian labor on Diego Garcia and the sale of Mauritian produce to the US Navy for use on the island. Berenger opposes these measures. []

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If elected, the pragmatic Berenger probably would have a better chance to form an effective regime. A government headed by Jugnauth and Ramgoolam would be unlikely to hold together beyond the near term, given the conflicting ambitions of its leaders and the ideological divisions within their coalition. []

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POLAND: Rescheduling Agreement

Poland and Western banks agreed on Thursday to terms for debt relief from obligations owed the banks in 1983. According to press reports, the agreement calls for 95 percent of the \$1.3 billion in principal due this year to be repaid between 1988 and 1993. Poland has to pay the estimated \$600 million in interest due this year on unrescheduled obligations, but the banks agreed to lend back to Poland 65 percent of these payments. []

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Comment: The terms for 1983 are somewhat more generous to Poland than those of the agreement for 1982, but they are much tougher than Warsaw's initial proposal last February. Warsaw already owes the banks \$900 million this year under previous agreements, and it will have difficulty paying the estimated \$700 million in interest and principal required by this agreement. The agreement with the banks will absorb Poland's payment capacity, making it even more difficult for Western government creditors to claim payments should they reach rescheduling terms with the Poles. []

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JAPAN-US: Discussions on Defense

The Defense Agency director, General Tanikawa, wants to discuss a broad range of issues with US officials in Washington beginning on Monday. According to senior Defense Agency officials, Tanikawa hopes to keep the talks general and is prepared to discuss defense budget planning, stationing US F-16 aircraft at Misawa Airbase, and Soviet SS-20 deployments. []

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Comment: Tanikawa probably wants a wide-ranging agenda partly to limit the amount of time available to discuss the thorny issue of the Japanese defense budget for 1984. Since early this month, officials of the Defense Agency and the Ministry of Finance have been quietly arguing to US officials that the proposed 6.88-percent increase in defense spending next year would allow the Defense Agency to fulfill the current Mid-Term Defense Plan. []

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NORWAY: Defense Budget Cuts

US defense attache sources report Norway has announced plans to reduce its defense spending during the remainder of the year by \$16.5 million, roughly 1 percent of the defense budget for 1983. The Navy will cancel half of its major fall exercise, restrict ship operating speeds to save fuel, and place several ships in reserve status ahead of schedule. It also is considering canceling improvements to its patrol boats. The Army will not call up reservists for its annual fall exercise, and the Air Force is reducing flying hours. [redacted]

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Comment: These cuts, which probably are due to high budget deficits, will make it impossible for the Norwegians to meet the NATO goal of a 3-percent real growth in defense spending. Of the West European members of NATO, only Norway, Luxembourg, and the UK had been expected to meet the goal this year. If continued in future years, reductions in training and cancellation of the callup of reserves could seriously affect combat readiness. [redacted]

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Top Secret

25X1

19 August 1983

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Next 1 Page(s) In Document Denied

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25X1

ZIMBABWE: Nkomo's Return

Opposition leader Nkomo's return to Zimbabwe after five months of self-imposed exile and the government's decision to drop efforts to expel him from Parliament suggest that some understanding has been reached between Nkomo and Prime Minister Mugabe. []

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Comment: Nkomo is aware of the vulnerability of his position, and he probably will not give the government cause to move against him any time soon. He is likely to reassert his leadership over his demoralized party and to try to persuade Mugabe that only he can induce the Ndebele people to accept a reconciliation with the government and end the violence in Matabeleland. Mugabe recognizes the importance of appearing conciliatory, especially in view of his coming trip to the US. The Prime Minister probably will tolerate Nkomo acting as spokesman for the Ndebele people, but he will not hesitate to muzzle Nkomo if his political activities interfere with Mugabe's goal of creating a one-party state. []

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SOUTH AFRICA: Opposition to Reform Proposals

The United Democratic Front—formed in May and made up of some 400 disparate black, Colored, and Indian groups—is holding its first national conference tomorrow. It hopes to rally opposition to Prime Minister Botha's constitutional reform proposals, which would grant limited political rights to Coloreds and Indians. The conference coincides with a special session of Parliament devoted to consideration of the reforms. []

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Comment: If the delegates can arrive at a unified program of action, the Front may be able to erode the fragile support for the constitutional changes among Coloreds and Indians. There are already signs that Botha views the Front with concern and will use its affiliations with the banned African National Congress to take action against it. Two weeks ago, the president of a provincial branch of the Front was arrested for alleged involvement in ANC affairs. []

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